



DISASTER NEWS

Economic Injury Loans for Small Businesses

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Contact: Rick Jenkins
Phone: (916) 735-1500

Disaster Assistance Available for Small Businesses

Sacramento, CA – Small, non-farm businesses in 20 Texas counties may now apply for low interest disaster loans from the U. S. Small Business Administration (SBA). These loans offset economic losses because of reduced revenues to farmers and ranchers caused by adverse weather conditions, announced Alfred E. Judd, Director of SBA's Field Operations Center - West.

Small businesses in the following counties may apply for these loans due to the excessive rain, hail, high winds, lightning and tornado in **Duval County** on October 27, 2005. Small businesses in the neighboring counties of **Brooks, Jim Hogg, Jim Wells, La Salle, Live Oak, McMullen, and Webb** are also eligible to apply.

Small businesses in the following counties may apply for these loans due to the excessive rain, flooding, hail, high winds and tornado in **Jim Wells County** on October 27, 2005. Small businesses in the neighboring counties of **Brooks, Duval, Kleberg, Live Oak, Nueces and San Patricio** are also eligible to apply.

Small businesses in the following counties may apply for these loans due to the excessive rain, hail, high winds and lightning in **Lynn County** from August 28 through September 14, 2005. Small businesses in the neighboring counties of **Borden, Crosby, Dawson, Garza, Hockley, Lubbock and Terry** are also eligible to apply.

Small businesses may qualify for Economic Injury Disaster Loans (EIDLs) of up to \$1.5 million to help meet financial obligations and operating expenses which could have been met had the disaster not occurred. "Eligibility for these loans is based on the financial impact of the disaster only and not on any actual property damage. These loans have an interest rate of 4%, a maximum term of 30 years, and are restricted to small businesses without the financial ability to offset the adverse impact without hardship," Judd said.

By law, SBA makes EIDLs available when the U. S. Secretary of Agriculture designates an agricultural disaster. Secretary Mike Johanns declared these disasters at the request of Governor Rick Perry.

Businesses primarily engaged in farming or ranching are ineligible for SBA disaster assistance. Agricultural enterprises should contact the Farm Services Agency (FSA) about the U. S. Department of Agriculture (USDA) assistance made available by the Secretary's declaration.

For information and application forms call toll-free (800) 659-2955, or visit SBA's website at www.sba.gov/disaster. Hearing impaired individuals may call (800) 877-8339. Mail completed applications to the U.S. Small Business Administration at 14925 Kingsport Road, Fort Worth, TX 76155.

The deadline to apply for these loans is **September 11, 2006**.

For more information visit SBA's website at www.sba.gov/disaster.

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SBA Field Operations Center - West, P.O. Box 419004, Sacramento, CA 95841